

Table of Contents

1. INTRODUCTION

NorthWestern Energy seeks 25 to 75 MW of renewable project capability for its Montana energy resource portfolio. In order to achieve this goal, information is requested from developers, land owners, energy companies, Montana businesses and any other potential business partners that either already own/operate or could develop a renewable electric generating resource that could be used to serve the NorthWestern Energy's Montana Supply customers and meet its renewable portfolio standard (hereafter referred to as "Respondent" or "Respondents"). It is important that any project meet the standards for renewable electric power generation as those standards have been defined in Montana law, which is further defined below. NorthWestern also seeks information for Renewable Projects that additionally meet the Montana Definition of Community Renewable Energy Project, or "CREP". Please note that this request will accept responses from projects whether they meet the additional requirements as a CREP or not.

NorthWestern Energy prefers to own the projects through outright purchase of the project, but proposals for both equity purchases and long-term Power Purchase Agreements ("PPAs") will be considered.

This Request For Information, or "RFI", has been issued by NorthWestern Energy as a way to collect information on a variety of renewable generating projects in a relatively short time without imposing the fairly stringent preparation requirements related to a full blown Request For Proposals or "RFP". Based on the information procured through this RFI, NorthWestern Energy may choose to conclude the process in any of the following manners:

1. Enter directly into bilateral discussions for the purchase of the project from the proposer. Ownership transfer may occur before or after commercial operation as may be determined by the parties. NorthWestern may contemplate operations and maintenance agreements with 3rd parties for projects purchased outright.
2. Enter directly into bilateral discussions for the purchases of the project output under a long term purchase power agreement, allowing the proposer to retain ownership and operational responsibilities.
3. Issue a Request for Proposals as a method to further screen proposals.
4. Do nothing.
5. Any combination of 1-4 as determined by NorthWestern Energy.

It is anticipated that the RFI process will be completed more rapidly than an RFP process and allow NorthWestern to pursue renewable resources in a more efficient manner. The process is intended also to reduce the burden on Respondents. NorthWestern is only interested in projects that will deliver a bundled product comprised of energy and renewable energy attributes (ie renewable energy credits or RECs).

Renewable Projects

MCA 69-3-2003 includes the following explanation of qualifying renewable energy projects: Eligible renewable resource means a facility either located within Montana or delivering electricity from another state into Montana that commences commercial operation after January 1, 2005, and that produces electricity from one or more of the following sources:

- a. wind;